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UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
(Orlando Division)

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SECURITIES AND EXCHANGE COMMISSION, )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 SEBASTIAN INTERNATIONAL ENTERPRISES, )  
 et. al )  
 Defendants. )  
 )  
 )

CASE NO.  
99-1053-CIV-ORL-28A

**JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF  
BY DEFENDANTS FERDINAND BEN SEBASTIAN, III, AND JAN SEBASTIAN**

Defendants Ferdinand Ben Sebastian, III, and Jan Sebastian ("Defendants"), by the Consent annexed hereto, without admitting or denying any of the allegations in the Commission's Complaint, except that they are admitting the allegation as to the jurisdiction of this Court over them and over the subject matter of this action, have agreed to the entry of this Judgment of Permanent Injunction And Other Relief ("Permanent Injunction"). This Court having accepted such Consent and having jurisdiction over Defendants and the subject matter hereof, and the Court being fully advised in the premises:

**I.**

**PERMANENT INJUNCTIVE RELIEF --  
SECTION 5 OF THE SECURITIES ACT**

**IT IS HEREBY ORDERED** that Defendants, their officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them, and each of them, are hereby permanently restrained and enjoined from directly or indirectly, (a) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to

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sell securities in the form of units, common stock, warrants or any other securities (including, but not limited to, interests in limited liability partnerships), through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect with the Commission as to such securities; (b) carrying securities, in the form of units, common stock, warrants or any other securities (including, but not limited to, interests in investment contracts or promissory notes), or causing them to be carried through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or for delivery after sale, unless and until a registration statement is in effect with the Commission as to such securities; or (c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy, through the use or medium of any prospectus or otherwise, any securities, in the form of units, common stock, warrants or any other securities (including, but not limited to, interests in investment contracts or promissory notes), unless a registration statement is filed with the Commission as to such securities, or while a registration statement filed with the Commission as to such security is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act, 15 U.S.C. § 77h, in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c), provided, however, that nothing in the foregoing portion of this injunction shall apply to any security or transaction which is exempt from the provisions of Section 5 of the Securities Act, 15 U.S.C. § 77e.

**II.**

**PERMANENT INJUNCTIVE RELIEF --  
SECTION 17(A)(1) OF THE SECURITIES ACT**

**IT IS HEREBY FURTHER ORDERED** that Defendants, their officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them, and each of them, are hereby permanently restrained and enjoined from directly or indirectly, by use of any means or instruments of transportation or communication in interstate commerce, or by the use of the mails, in the offer or sale of securities (including, but not limited to, interests in investment contracts or promissory notes), knowingly, willfully or recklessly employing devices, schemes or artifices to defraud, in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

**III.**

**PERMANENT INJUNCTIVE RELIEF --  
SECTIONS 17(A)(2) & (3) OF THE SECURITIES ACT**

**IT IS HEREBY FURTHER ORDERED** that Defendants, their officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them, and each of them, are hereby permanently restrained and enjoined from directly or indirectly, by use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, in the offer or sale of securities (including, but not limited to, interests in investment contracts or promissory notes), (i) obtaining money or property by means of untrue statements of material facts or omissions to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading; or (ii) engaging in acts, practices and courses of business which would operate as a fraud or deceit upon purchasers and prospective

purchasers of such securities, in violation of Sections 17(a)(2) & (3) of the Securities Act, 15 U.S.C. §§ 77(q)(a)(2) & (3).

**IV.**

**PERMANENT INJUNCTIVE RELIEF --  
SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5**

**IT IS HEREBY FURTHER ORDERED** that Defendants, their officers, agents, servants, employees, attorneys in fact, and those persons in active concert or participation with them, and each of them, directly or indirectly, be and they hereby are, permanently restrained and enjoined from, directly or indirectly, singly or in concert, or otherwise, by use of the means and instrumentalities of interstate commerce, and of the mails, and of any facility of any national securities exchange, in connection with the purchase or sale of the securities, as described herein, (i) employing devices, schemes or artifices to defraud; (ii) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (iii) engaging in acts, practices and courses of business which would operate as a fraud upon the purchasers of such securities, including, but not limited to, the dissemination of false and misleading press releases, in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

**V.**

**DISGORGEMENT**

**IT IS HEREBY FURTHER ORDERED** that Defendants shall be jointly and severally liable to disgorge all amounts raised from investors between and January 1, 1997 and July 21, 2000

through the sale of promissory notes issued by Sebastian International Enterprises, or any other company or entity within their control, less the cost of any sales commissions paid and the value of any funds or property seized by or turned over to the Receiver. If the parties are unable to agree as to the appropriate disgorgement amount, this amount shall be determined by the Court upon the Commission's motion, and the parties agree that only evidence as to the appropriate amount of disgorgement shall be presented. Nothing in this Final Judgment shall prejudice the Receiver's right to seek appropriate relief from the Defendants.

**VI.**

**CIVIL MONEY PENALTIES**

**IT IS HEREBY FURTHER ORDERED** that that the amount of civil penalties, if any, that the Defendants shall be required to pay pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d) and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3), in connection with the activities described in the Commission's Complaint, shall be determined by the Court upon the Commission's motion, and the parties agree that only evidence as to the appropriate amount of penalties shall be presented.

**VII.**

**INCORPORATION OF CONSENT**

**IT IS HEREBY FURTHER ORDERED** that Defendants shall comply with the provisions of the Consent attached hereto, and that such Consent is incorporated herein by reference as if fully set forth herein.

VIII.

**RETENTION OF JURISDICTION**

IT IS HEREBY FURTHER ORDERED that this Court shall retain jurisdiction over this matter and Defendants in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

DONE AND ORDERED at 8:55 o'clock, 11 m. this 7<sup>th</sup> day of Nov 2000, at Orlando, Florida.

  
UNITED STATES DISTRICT JUDGE

 cc: Attached Service List

Service List

Mitchell E. Herr  
Regional Trial Counsel  
1401 Brickell Avenue, Suite 200  
Miami, Florida 33131  
**Counsel for Securities and Exchange Commission**  
Phone: (305) 982-6336

George E. Tragos, Esq.  
600 Cleveland Street  
Suite 700  
Clearwater, FL 33755  
Counsel for F. Sebastian and J. Sebastian and  
all Relief Defendants

Mark F. Fisher, Esq.  
Meininger, Fisher & Mangum, P.A.  
Counsel for Lynn Cole, Receiver  
111 North Orange Ave., Suite 1750  
Orlando, FL 32802

Lynn Cole, Esq., Receiver  
201 N. Franklin Street  
Tampa, FL 33602